

## **Testimony to House Education Committee**

### **March 27, 2007**

Consolidating Services to save money is not a new concept. It is alive and well all over the State of Michigan. There are 57 intermediate school districts in Michigan and they **all** provide economies of scale that save their local districts money.

The issue before the House Education committee at this point is, how can we extend the depth and breadth of these efforts. The Governor has proposed a carrot and stick approach which must be thought through carefully. Several ISD leaders will be testifying today in an attempt to help your committee shape what the carrot and stick will look like.

First, please understand that asking school districts and ISDs to save money is a very good thing!! We are all here today in support of that good thing. We also want the members of the House Education committee to understand that while consolidation of services to save money is desirable, it is also very complicated and must be thought through carefully. We can do this, let's do it right.

We want to offer to you all of the thinking resources at our disposal to help you craft the legislation that will help districts and ISDs move forward. Here are some issues that you must keep in the forefront as you design legislation.

- One Size does not fit all. What is logistically possible in a smaller ISD such as Hillsdale County is not necessarily easily replicated in Wayne County with 34 school districts.
- In larger ISDs it makes a good deal of sense for local districts to enter into consortium agreements among themselves which may or may not include participation of the ISD. In Wayne County districts have taken a more regionalized approach to sharing services.
- Taking over the business functions of local districts is harder than it looks. Each has its own policies and procedures that govern disbursements, payroll provisions, busing guidelines, purchasing protocols etc. Not to mention that each school district has a unique teacher contract that spells out specific language about payroll provisions etc.

- Each school board is locally elected and feels accountable to their constituents in the same manner as you do in the House of Representatives. The idea of sharing with other districts is threatening to their feeling of autonomy. I think that they have to get past that, but remember that just like you, they want to get reelected. The Intermediate School District does not have governing authority over local districts.
- Certain functions such as transportation are very difficult to consolidate because of a lack of a common school calendar in most counties and certain funding roadblocks in the area of Special Education.

As mentioned previously, creating a more formalized approach to consolidating services among local school districts and Intermediate School districts is a very positive move. We want to build upon what we are already doing. Let's make sure that we concentrate on substance rather than form. Consolidation makes sense when economies of scale can be achieved or improved products and services result. All consolidation efforts do not produce cost saving results.

The Michigan Association of Intermediate School Districts (MAISA) convened a State-wide task force to gather data that will support the efforts of the 57 ISD to coordinate services and to collaborate across ISDs. In addition, that committee also developed a web based template to guide local districts and ISDs in answering question surrounding the issue of governmental consolidation of districts.

Again, our purpose today is to tell you that we stand ready to lend our expertise in helping the House Education Committee shape pending legislation. We all want the best possible educations for the students of our State. Let's work together to make that happen.

Submitted by:  
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Attachment

## Wayne County RESA Currently Consolidated Initiatives and Services

### CONSORTIUM BIDS:

Office Supplies  
Art Supplies  
Athletic Supplies  
Paper  
Universal Precaution Supplies  
Food Service Supplies

Commodities Processing and Delivery  
Telecommunications  
Network Communications  
Instructional Media Technology Equipment  
Internet Services  
Substitute Teacher Calling System

### CONSOLIDATED PRODUCTS AND SERVICES

#### Software and Consulting Services:

Payroll Processing  
Time Entry  
Human Resources  
General Ledger/Accounting  
Accounts Payable  
Purchasing/Requisition  
Invoicing/Cash Receipts  
Fixed Asset Records  
Transportation Routing & Scheduling  
Bus Maintenance Tracker

Class Scheduling  
Teacher Grade Book  
Report Card/Transcript  
Student Attendance  
Parent Connect  
Immunization Records  
Special Education IEP  
Medicaid Service Tracker  
Food Service Point of Sale  
State Reporting Formats  
State Reporting Downloads

#### Other Services:

Local Area Network Support  
Teacher Resource Center  
Professional Development Library  
Teacher Professional Development

Instructional Media Library  
Instructional Media Digital Library  
Spec. Ed. Center Program Coordination  
Bus Driver Training